

TO: James L. App, Redevelopment Agency Executive Director  
FROM: Jim Throop, Director of Administrative Services  
SUBJECT: Adoption of Enforceable Obligations Payment Schedule  
DATE: August 16, 2011

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NEEDS: For the Redevelopment Agency to consider approving the Enforceable Obligations Payment Schedule for the Paso Robles Redevelopment Agency.

FACTS:

1. The City's Redevelopment Agency (RDA) was created in November 1987.
2. The State has habitually raided the RDA of funding to help balance the state budget and relieve the State of certain funding obligations.
3. In order to help solve the State's current budget crisis, the Governor recently signed into law two companion bills that (i) eliminate the current RDA and (ii) establish an Alternative Voluntary Redevelopment Program (AVRP). An RDA will be allowed to remain in operation if the City adopts an ordinance that commits the City to make "community remittance" payments. This legislation is being challenged in a case filed in the California Supreme Court.
4. The legislation also requires agencies to adopt by August 29 an Enforceable Obligations Payment Schedule (EOPS). In the event the City does not adopt an ordinance electing to participate in the AVRP, the RDA will be dissolved, and the EOPS will serve as the basis for the payment of the RDA's outstanding obligations. Therefore the adoption of the EOPS is essential and helps ensure that the RDA's obligations will be paid in the event the RDA is dissolved.
5. If the City determines in the next two months that it will participate in the AVRP, then the RDA will remain in operation, and the EOPS will no longer be necessary.

ANALYSIS &

CONCLUSION: Because the City has not yet determined whether it will participate in the AVRP, AB 1X 26 requires that the RDA adopt the EOPS by August 29. AB 1X 26 imposed immediate and severe restrictions on the RDA's activities; adoption of the EOPS would allow the RDA to meet its payment obligations until the end of the year. In addition, if the City does not adopt an ordinance to participate in the AVRP in the next two months, the RDA will be deemed dissolved, in which case the EOPS will serve as the basis for determining what RDA obligations will be recognized as legitimate obligations to be repaid by the RDA's successor agency.

POLICY

REFERENCE: Economic Strategy - 2006

FISCAL

IMPACT: No General Fund impact to adopt the EOPS.

OPTIONS:

- A. Adopt Resolution No. 11-XXX approving the Enforceable Obligations Payment Schedule
- B. Amend, modify or reject above option.

AGENCY RESOLUTION 11-XXX

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE  
CITY OF EL PASO DE ROBLES ADOPTING AN ENFORCEABLE OBLIGATIONS  
PAYMENTS SCHEDULE PURSUANT TO AB 1X 26

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WHEREAS, pursuant to the Community Redevelopment Law (Health and Safety Code sections 33000 *et seq.*), the City Council created the Redevelopment Agency of the City ("Agency") in 1987; and

WHEREAS, the Agency has been implementing the Redevelopment Plan for the Paso Robles Redevelopment Project; and

WHEREAS, the California State Legislature recently enacted companion bills AB 1X 26 and AB 1X 27, which eliminate every redevelopment agency unless the community that created it adopts an ordinance agreeing to participate in an Alternative Voluntary Redevelopment Program ("AVRP") which requires the payment of an annual "community remittance" payment; and

WHEREAS, the new legislation also requires redevelopment agencies to adopt by August 28 an Enforceable Obligations Payments Schedule ("EOPS"). In the event the City does not adopt an ordinance electing to participate in the AVRP, the Agency will be dissolved, and the EOPS will serve as the basis for the payment of the Agency's outstanding financial obligations; and

WHEREAS, should the City determine by the time set forth in the legislation that it will participate in the AVRP, then the Agency will remain in operation, and the EOPS will no longer be necessary;

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Paso Robles as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of EOPS. The Agency hereby approves and adopts the Enforceable Obligations Payment Schedule, in substantially the form attached hereto as Exhibit A, as required by Health and Safety Code Section 34169, added by the recently enacted legislation AB 1X 26.

Section 3. Posting; Transmittal to Appropriate Agencies. The Executive Director is hereby authorized and directed to post a copy of the EOPS on the City's website. The Executive Director is further authorized and directed to transmit, by mail or electronic means, to the San Luis Obispo County Auditor-Controller, the State Controller and the Department of Finance, notification providing the website location of the posted EOPS and other information as required by AB 1X 26.

Section 4. Effective Date. Pursuant to Health and Safety Code Section 34169(i), the Agency's action to adopt the EOPS as set forth herein shall not be effective for three (3) business days following adoption of this Resolution, pending a request for review of the EOPS by the Department of Finance.

PASSED AND ADOPTED by the Redevelopment Agency of the City of El Paso de Robles this 16th day of August, 2011, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Duane Picanco, Mayor

ATTEST:

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Agency Secretary

Exhibit A

[to be inserted]

**ENFORCEABLE OBLIGATION PAYMENT SCHEDULE**  
 Per AB 26 - Section 34167 and 34169 (\*)

Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month				Total
					Aug**	Sept	Oct	Nov	
1) 2000 Tax Allocation Bond	Union Bank	Bonds issued to fund non-housing projects	5,677,978.27	246,066.26					\$ -
2) 2009 Tax Allocation Bond	Union Bank	Series A	20,598,550.35	561,025.02					\$ -
3) 2009 Tax Allocation Bond	Union Bank	Series B	3,408,837.50	428,092.50					\$ -
4) SLO COE Early Childhood Dev. Ctr	SLO Co Office of Educ	Project Assistance	1,000,000.00	321,200.00	321,200.00				\$321,200.00
5) City Library Construction	City of Paso Robles	City Library	4,529,787.50	314,920.00					\$ -
6) Cooperation/Administrative Agreement	City of Paso Robles	Administrative reimbursement	250,000.00	250,000.00				250,000.00	\$250,000.00
7) Repayment to LMIH for SERAF	RDA of City of Paso Robles	RDA Fund Loan to make SERAF Payment	1,433,803.00	238,988.00					\$ -
8) Hidden Creek Affordable Housing	City of Paso Robles	Payment of city fees	1,000,000.00	100,000.00	100,000.00				\$100,000.00
9) Housing Set-aside	LMIH	Section 33334.2	33,368,850.00	832,672.00					\$ -
10) FEMA Reimbursement	FEMA	Project Reimbursement	1,037,000.00	1,037,000.00					\$ -
<b>OTHER OBLIGATIONS - PAYMENT SCHEDULE (PASS THROUGH OBLIGATIONS)</b>									
10) Cuesta College #1	Cuesta College	pass thru payment	2,109,608.00	37,765.00					\$ -
11) County School Services #1	SLO COE	pass thru payment	1,250,231.00	22,381.00					\$ -
12) Cuesta College #2	Cuesta College	pass thru payment	3,316,064.00	85,909.00					\$ -
13) County School Services #2	SLO COE	pass thru payment	1,965,221.00	50,913.00					\$ -
14) County General Fund	SLO County	pass thru payment	42,347,318.00	891,652.00					\$ -
15) Air pollution Control Board	Air Pollution Board	pass thru payment	164,773.00	4,001.00					\$ -
16) SLO County Flood Control	SLO County Flood Control	pass thru payment	622,606.00	15,119.00					\$ -
17) Nacimiento Water District	Nacimiento Water District	pass thru payment	503,705.00	12,231.00					\$ -
18) Paso Robles Cemetery District	Paso Robles Cemetery Dist.	pass thru payment	1,604,720.00	38,967.00					\$ -
19) Paso Robles SB211 Tax sharing	City of Paso Robles	pass thru payment	1,575,330.00	36,418.00					\$ -
20) Paso Robles Schools Combined Pmt	Paso Robles School District	pass thru payment	44,221,688.00	876,902.00					\$ -
21)									\$ -
22)									\$ -
23)									\$ -
24)									\$ -
Totals - This Page			\$ 72,304,806.62	\$ 4,329,943.78	\$ 421,200.00	\$ -	\$ -	\$ 250,000.00	\$671,200.00
Totals - Page 2			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations (Pass Through Obligations - This Page)			\$ 99,681,264.00	\$ 2,072,258.00	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages			\$ 171,986,070.62	\$ 6,402,201.78	\$ 421,200.00	\$ -	\$ -	\$ 250,000.00	\$671,200.00

\* This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than late August. It is valid through 12/31/11. It is the basis for the Preliminary Draft Recognized Obligation Payment Schedule (ROPS), which must be prepared by the dissolving Agency by 9/30/11. (The draft ROPS must be prepared by the Successor Agency by 11/30/11.)

If an agency adopts a continuation ordinance per ABX11 27, this EOPS will not be valid and there is no need to prepare a ROPS.  
 \*\* Include only payments to be made after the adoption of the EOPS.